

Government of the District of Columbia  
Office of the Chief Financial Officer

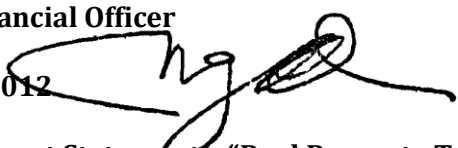


**Natwar M. Gandhi**  
Chief Financial Officer

**MEMORANDUM**

**TO:** The Honorable Kwame R. Brown  
Chairman, Council of the District of Columbia

**FROM:** Natwar M. Gandhi  
Chief Financial Officer

**DATE:** April 2, 2012 

**SUBJECT:** Fiscal Impact Statement – “Real Property Tax Appeals Commission Establishment Amendment Act of 2012”

**REFERENCE:** Bill Number 19-271, Draft Committee Print as Shared with the Office of Revenue Analysis on April 2, 2012

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*This fiscal impact statement reflects the changes in the Draft Committee Print of the bill, and replaces the one issued on July 8, 2011.*

**Conclusion**

Funds are sufficient in the FY 2012 budget and the proposed FY 2013 through FY 2016 budget and financial plan to implement the bill.

**Background**

The proposed legislation would amend the Real Property Tax Appeals Commission Establishment Act of 2010<sup>1</sup> (“Act”) to make the following changes:

- Provide the Commission with the jurisdiction over timely appeals filed with the Board of Real Property Assessment and Appeals;
- Increase the number of part-time Commissioners from six to eight;
- Authorize training for new and existing Commissioners. Current law requires training for new Commissioners only;
- Clarify the law with regards to the Office of Tax and Revenue (OTR)’s ability to disclose taxpayer information related to an appeal filed with the Real Property Tax Appeals Commission (“Commission”);

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<sup>1</sup> Effective April 8, 2011 (D.C. Law 18-363; D.C. Official Code §47-825.01 *et seq.*)

The Honorable Kwame R. Brown

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- Increase the number of days in which an owner may supplement an appeal from 10 to 20;
- Clarify that any appeals regarding the classification of real property as vacant or blighted should be filed with the Commission;
- Clarify that filing an appeal with the Commission is a pre-requisite to an owner filing an appeal with the Superior Court of the District of Columbia; and
- Make the conforming amendments necessary to implement the Act.

The bill makes these changes effective as of October 1, 2011.

### **Financial Plan Impact**

Funds are sufficient in the FY 2012 budget and the proposed FY 2013 through FY 2016 budget and financial plan to implement the proposed legislation. The majority of the provisions clarifies the real property assessment appeals hearing process and thus would not have any cost. Increasing the number of part-time Commissioners from 6 to 8 would result in an increase in personnel costs of approximately \$33,000; however, this cost could be absorbed within the Commission's existing budget.<sup>2</sup>

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<sup>2</sup> B18-530 The Real Property Tax Appeals Commission Establishment Act of 2010 was enacted on January 28, 2011 and a budget of approximately \$1.6 million were appropriated in the FY 2012 to funds its implementation. The fiscal impact statement for B18-530 issued on December 4, 2010 estimated cost of implementation to be approximately \$1.6 million and included a personnel budget of approximately \$1.4 million to cover the cost of six full-time and six part-time Commissioners and support staff. The \$1.4 million personnel budget, however, should be adequate to cover the cost of 8 part-time Commissioners, as the total number of hours worked by the part-time Commissioners will not change.